

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 2820 - SB 3208

February 25, 2010

SUMMARY OF BILL: Requires that children starting pre-kindergarten (pre-K) be four years old on August 1st the year they begin pre-K and five years old by August 1st the year they enter kindergarten. Current law requires that children be four and five by September 30 of the year they begin each program respectively. Provisions of the bill apply to students entering pre-K and kindergarten in the 2010-11 school year.

ESTIMATED FISCAL IMPACT:

Decrease State Expenditures - \$47,842,000/One-Time/FY11-12

Decrease Local Expenditures - \$23,921,000/One-Time/FY11-12

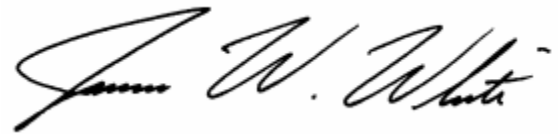
Assumptions:

- In the 2010-11 school year, students with birthdays before August 1 would be ineligible to enroll. The BEP generates money based on prior year enrollment. Therefore in the in FY11-12, there will be a one-time reduction decrease in state and local expenditures. Children with birthdays between September 30 and August 1 will enroll the next year.
- According to the Department of Education (DOE), approximately 75,542 children entered kindergarten in 2009. Two-twelfths of 75,542 or 12,590 will be affected.
- The average state BEP per pupil expenditure is \$3,800 and the average local match is approximately \$1,900.
- The total one-time decrease in state expenditures in FY11-12 will be approximately \$47,842,000 (\$3,800 x 12,590).
- The total one-time decrease in local expenditures in FY11-12 will be approximately \$23,921,000 (\$1,900 x 12,590).
- Currently the pre-K waiting list is at least 2,000 students. The overall number of pre-K classrooms and open slots is unchanged. DOE estimates that the pre-K program will have approximately 2,846 children that will unable to enroll in the 2010-11 school year and who would defer to the 2011-12 school year.

- Students not able to enroll in the 2011-12 school year will go on the waiting list. The bill's provisions do not require an increase in the number of pre-K classrooms.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a larger, more prominent script than the last name "White".

James W. White, Executive Director

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